



OFFICE OF
CHIEF COUNSEL

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

May 3, 2001

MEMORANDUM FOR JOHN STAPLES
ASSOCIATE CHIEF COUNSEL (INTERNATIONAL)

FROM: Sean F. Foley, APA Program Director

SUBJECT: APA Quarterly Report for FY 2001,
Second Quarter Ending 3/31/01

I am pleased to report the following results for the APA Program for the second quarter of FY 2001 ("Q2").

APAs Completed

The APA Program completed 21 APAs in Q2, a record number. The 21 completed APAs consist of six bilaterals – including one amendment – and 15 unilaterals – including one amendment and one cancellation. Stated differently, the APA Program:

- completed 18 APAs (5 bilaterals and 13 unilaterals), four of which were renewals (one bilateral and 3 unilaterals);
- amended two APAs (one bilateral and one unilateral); and
- cancelled one unilateral APA.

Negotiating Position Papers Completed

The APA Program completed 14 bilateral negotiating position papers, four of which involved renewal APA requests.

New Matters

The APA Program received 13 new APA matters in Q2. Six of the 13 new matters involve bilateral APA requests (three initial and three renewal requests) and one involves an initial unilateral APA request. Further, taxpayers submitted three user fees in Q2, for which two bilateral and one unilateral APA requests should follow.¹ The other three matters concerned the two amendments and one cancellation discussed above.

APA Inventory

The APA Program has an ending Q2 inventory of 203 open matters, consisting of 167 bilateral and 36 unilateral matters.² Attached are the Q2 inventory calculations for open matters and cases, followed by the Q2 APA issuance and inventory reports.

Respectfully submitted,

Sean Foley, Director, APA Program

Attachments

cc: LMSB Commissioner
Director International
National Director of Appeals
LMSB Division Counsel

Endnotes:

1.
The three user fee submissions bring the total number of pending APA “dollar filings” to 19 (15 bilateral and four unilateral).
2.
The 203 open matters include the 19 pending dollar filings (15 bilateral and four unilateral). See Note 1, supra. Thus:
 - The APA Program has an open inventory of 184 cases, i.e., 203 matters less the 19 pending dollar filings.
 - The 184 open cases consist of 152 bilateral cases (167 total matters less the 15 bilateral dollar filings) and 32 unilateral cases (36 total matters less the four unilateral dollar filings).
 - The APA Program has forwarded 66 of the 152 bilateral cases to Competent Authority. Thus, the APA Program has a current working inventory of 118 cases, consisting of 86 bilateral cases (152 bilateral cases less 66 forwarded to CA) and 32 unilateral cases.